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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## **School Property Tax Control Board Meeting Minutes November 1, 2007**

**Call to Order:** The monthly meeting of the School Property Tax Control Board was held on Thursday, November 1, 2007. The meeting was held in the Indiana Government Center South, Conference Center Room 2, 302 West Washington Street, Indianapolis, IN 46204. Those in attendance were Tony Samuel, Richard Besinger, Debbie Hineline, Joe Bronnert, David Bowen, Chuck Nemeth, Denise Seger, Morris Mills, Roger Umbaugh and Kaitlin Boldt, Administrative Officer.

**Minutes and Discussion:** There were no minutes to discuss.

Mr. Mills said he sees no justification for new facility appeals for adding classroom space for the second part of the year. Those students are covered with the school formula which covers all operating costs. They do not get paid for the first six months, but the second year is just extra money.

Mr. Besinger said he agrees with Senator Mills. He thinks school corporations are taking advantage of the law.

Mr. Bronnert said he recognized that, but most school corporations are here because by law they have the opportunity to apply for these appeals.

**Avon Community Schools, Hendricks County:** Officials request approval of a new facility appeal in the amount of \$527,429 and a transportation appeal in the amount of \$413,019. The appeals were properly advertised.

**Present for the hearing** was Joe Koval, Deputy Superintendent, and Brock Bowsher, Director of Finance.

**New Facility Appeal:** The tax rate impact is \$0.0229. Officials request the appeal for two facilities. The new Cedar Elementary School is an 113,200 square foot facility that was occupied in July 2007. The requested amount of \$244,017 includes one head custodian, five custodians, one groundskeeper, property insurance, employee benefits, utilities and supplies. An addition of 113,787 to Avon High School was occupied in July 2007. The requested amount of \$283,412 includes six custodians, property insurance, employee benefits, utilities and supplies.

**Comments:** Mr. Koval said Avon Community Schools is one of the fastest growing school corporations in Indiana. This past school year they opened Cedar Elementary School and the first addition to their high school that was opened in 1999. Also, this past fall they broke ground on their second middle school and next fall they will break ground on their seventh elementary school and second addition to the high school. They have 24 portables of which seven they are still using due to current growth. This appeal is the second half for the high school addition and Cedar Elementary.

Mr. Bowen said they have different numbers than last year. Mr. Koval said this is the second half. Mr. Bowen said last year they said the annual cost for Cedar Elementary was \$615,128, but now they are back with \$651,468. Mr. Koval said they approved 66% of that amount. Mr. Bowen said last year their total annual cost for the new facility appeal at Cedar Elementary School was \$615,128. Mr. Koval said they approved a third of that. Mr. Bowen said now they are saying the annual cost is \$651,000. Mr. Koval said they had increases in salaries. Mr. Bowen said he does not think they should increase what they approved last year. Mr. Koval said their costs did go up. They approved the first two thirds of the year and this is the final third. Mr. Bowen said they approved the appeal based on an annual cost that was presented to them and that is what they should be continuing this year. Mr. Koval said he presented the board information with regards to expenses. Expenses go up annually. Mr. Bowen said he cannot recall ever doing this in the past. Mr. Koval said this is this seventeenth year doing this and they have never been denied. Mr. Bronnert asked what amount was approved last year. Mr. Bowen said \$407,441. That was 66% of the costs.

Mr. Besinger asked if the insurance amount of \$20,100 is for the whole building or just the addition. Mr. Koval said they are asking for another \$11,000. Mr. Besinger said they have \$20,100 on the letter dated April 10. Mr. Koval said they only had to pay a portion of the premium last year. The second portion is for the total.

**Motion:** Mr. Bronnert made a motion to approve a new facility appeal for Cedar Elementary School in the amount of \$207,687. Dr. Seger seconded the motion, which favorably carried by a vote of 6-3. Mr. Mills, Mr. Besinger, and Mr. Samuel cast the dissenting votes.

Mr. Bronnert made a motion to approve a new facility appeal for Avon High School in the amount of \$257,369. Dr. Seger seconded the motion, which favorably carried by a vote of 6-3. Mr. Mills, Mr. Besinger, and Mr. Samuel cast the dissenting votes.

**Transportation Appeal:** The tax rate impact of the appeal was not reported. Officials request the appeal due to an increase in the number of students transported and miles traveled. There have been thirty-seven positions added since 2004. The number of bus routes has increased from 172 in 2002-2003 to 230 in 2006-2007.

**Comments:** Mr. Koval said the community does not have an established downtown. They are composed of subdivisions and strip-malls, so therefore they do not have any established walking areas. Approximately 8,100 students are eligible to be transported by bus. Avon has historically transported kindergarten students to and from school. They average hiring eight new bus drivers and several transportation aids annually.

Mr. Mills said they have more monitors than all the other schools appearing today combines. Mr. Koval said they put a monitor on all of their special education busses. The bus drivers are not allowed to leave their seats to help students in wheelchairs. They have 28 special education routes.

Mr. Besinger said they have 144 busses which figures out to 55 students per bus. Mr. Koval said at the middle and high school level they do not put more than two students per seat. Mr. Besinger asked if they bus them all at the same time. Mr. Koval said they have a set of busses for each school. Their bus drivers will do an elementary school run and then go and do an intermediate school. The bus driver has four runs per day for two different schools. Mr. Besinger said he divided the number of students by number of busses, so if drivers are doing multiple routes they have a lot less than 55 students per bus. Mr. Koval said not every student at the high school level will ride the bus. They have 600 – 650 student drivers, but they still have to account for them because they may ride the bus on bad weather days. Mr. Besinger said he divided 144 busses into their maintenance costs and it came out to \$7,665 per bus. Mr. Besinger said that seems like an awful lot of maintenance per bus. Mr. Koval said that is a collapse of several accounts that may or may not include fuel.

Mr. Bowen said he thinks they need to resubmit this because they did not provide the calculation that says what the maximum levy increase is. Also, the only thing they have shown an increase in is 17 miles per day for \$413,000 it does not show a fuel increase. Mr. Bowen asked how they justify how they came up with their numbers. Mr. Koval said they are hiring eight drivers and four aids. Mr. Bowen said they statute is for increased mileage and fuel costs. Mr. Koval said they included a detailed spreadsheet showing where all of the numbers came from. Mr. Koval said they increased over 300 students. Mr. Bowen asked why it is only showing an additional 17 miles. Mr. Koval said he got that number from the transportation director. Mr. Bowen said he suggests they resubmit this for the December meeting.

Mr. Besinger said they are using a very expensive method to transport students. Mr. Koval said they do a lot of things that are not traditional. The community wants the transportation system set up the way it is.

Mr. Mills said they have people doing what the community wants, but then they have another group of people raising hell about property taxes. .

**Motion:** Mr. Umbaugh made a motion to defer a decision for the transportation to the December meeting. Ms. Hineline seconded the motion, which favorably carried by a vote of 9-0.

**Rockville Community School Corporation, Parke County:** Officials request approval of a new facility appeal in the amount of \$70,000. The tax rate impact of the appeal is \$0.02405. The appeal was properly advertised. Officials request the appeal for an addition of 9,117 square feet to Rockville Junior-Senior High School that was occupied in April 2007. The appeal request includes one custodian, property insurance, employee benefits, equipment, utilities and supplies.

**Present for the hearing** was Gary Storie, Superintendent, and Tom Thornton, Therber & Brock.

**Comments:** Mr. Storie, Superintendent, said they are requesting a new facility appeal for \$70,000. They are just now completing a renovation and addition project that added just under 10,000 square feet. Most of that area is science labs and a media/library center. The appeal was advertised in their budget this year. Based on the current AV this appeal will represent a 2.4% increase in the tax rate.

Mr. Mills said their cost per square foot of \$9 is twice the amount other schools have requested. Mr. Bowen said the reason for that is because the addition is a 5% increase in square footage for the school corporation, yet in the costs they are asking for a 32% increase in utilities and 26% for group insurance. Mr. Bowen said they have costs in there to heat and air condition the entire building, which the board cannot approve. The Superintendent said they were basing the utility costs on the expenses incurred in the new area that opened in April. Mr. Bowen said the increase in square footage is 9,117 multiplied by the average cost of \$4 square foot that would be \$36,468.

**Motion:** Mr. Bowen made a motion to approve a new facility appeal in the amount of \$36,468. Ms. Hineline seconded the motion, which favorably carried by a vote of 8-1. Mr. Besinger cast the dissenting vote.

**Center Grove Community School Corporation, Johnson County:** Officials request approval of a transportation appeal in the amount of \$155,000. The tax rate impact is \$0.005957. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. Three bus drivers and a monitor were added in 2006-07 and two bus drivers were added in 2007-08. The number of bus routes has increased from 54 in 2003-2004 to 62 in 2007-2008.

**Present for the hearing** was Paul Gabriel, Chief Financial Officer and Mike Laracco, Transportation Director.

**Comments:** Mr. Gabriel spoke about the appeal. The number of students transported has not increased, but the number of miles traveled has increased. Miles traveled has increased because they changed the location of their transportation center. The new center will open over Christmas break. The population of the district is slowly shifting southward. The new transportation center is about 3.5 miles south of the current facility. When the center opens most routes will have an additional 3.5 miles both ways. In eight to ten years they will be running fewer miles than they do today.

Mr. Mills said the average cost per mile for the new miles transported should not be \$3 per mile. Mr. Mills asked how many students they are transporting. Mr. Gabriel said for this school year it is about 6,000.

Mr. Bowen asked if they are requesting the \$123,716 calculated by the maximum levy increase formula. Mr. Gabriel said they based the appeal on what they need to keep revenues equal to

expenses. The formula generates \$123,716 so that is what they expect to be approved. They develop the budget way in advance of actually submitting the appeal. Mr. Bowen said he does not think they can recommend approval for more than \$123,716. Mr. Gabriel said they will end the year with a large enough cash balance that they will be able to survive with that amount.

**Motion:** Mr. Bowen made a motion to approve a transportation appeal in the amount of \$123,716. Mr. Umbaugh seconded the motion, which favorably carried by a vote of 9-0.

**Greenwood Community School Corporation, Johnson County:** Officials request approval of a transportation appeal in the amount of \$110,000. The tax rate impact is \$0.0099. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. Two bus drivers have been added in the past three years. The number of bus routes has remained at 34 over the past six years.

**Present for the hearing** was David Edds, Superintendent; Larry Slone, Director of Operations and Randy Burns, Director of Fiscal Services.

**Comments:** Mr. Burns said ADM increased 74 students for the 2007-08 school year. Since the time this appeal was prepared the price per barrel of oil has increased substantially. The projections for fuel costs on the appeal are probably low. The last load of gasoline they purchased was \$2.947 and the last load of diesel was \$2.955. Special ed numbers continue to increase. Two additional special education drivers were added in 2005 for a cost of \$35,000. This is the first time they have come for an appeal.

Mr. Bowen asked if they worked through the DLGF max levy formula. Mr. Burns said their 2007 transportation max levy was \$920,452 and their estimated 2008 transportation max levy is \$964,519. That works out to a maximum levy allowed of \$111,266.

**Motion:** Mr. Umbaugh made a motion to approve a transportation appeal in the amount of \$110,000. Dr. Seger seconded the motion, which favorably carried by a vote of 8-0. Mr. Nemeth abstained from the vote.

**Hamilton Southeastern Schools, Hamilton County:** Officials request approval of a new facility appeal in the amount of \$200,727 and a transportation appeal in the amount of \$737,668. The appeals were properly advertised.

**Present for the hearing** was Michael Reuter, CFO; Concetta Raimondi, Superintendent; Ray Delke, Facilities Manager; Jim White, Transportation Director; Cecilie Nunn, Business Manager.

**New Facility Appeal:** The tax rate impact is \$0.0037. Officials request the appeal for two facilities. An addition of 20,106 square feet to Fall Creek Elementary was occupied in August 2007. The requested amount of \$48,316 includes ½ a custodian, property insurance, employee benefits, utilities and supplies. The new Thorpe Creek Elementary is a 94,000 square foot

facility that is scheduled to be occupied in August 2008. The requested amount of \$152,411 includes five custodians, property insurance, employee benefits, utilities and supplies.

**Comments:** Mr. Reuter provided an enrollment history for Hamilton Southeastern Schools. They did not grow as many students this year as they had anticipated. ADM was up 879 students this year. The kindergarten enrollment was down from last year and the previous years. They grow even if they do not build new houses. This new facility appeal is the balance of an appeal from last year and the anticipation of a school that will open this fall. Fall Creek Elementary added a little more than 20,000 square feet that opened earlier this year. They are requesting \$48,316 for this building. The new elementary school that will open next fall will be their twelfth elementary school. They are requesting four months of operational costs at an amount of \$152,411.

Mr. Bowen asked if they have increased the amount of any appeals when they come back for the second year. Mr. Reuter responded no, once they set the amount of the appeal that is the number they come back with.

Mr. Mills asked if they are eligible for speed up funds through the school formula. Mr. Reuter responded no, that portion of the formula has been eliminated.

**Motion:** Mr. Bronnert made a motion to approve a new facility appeal in the amount of \$48,316 for Fall Creek Elementary School. Ms. Hinline seconded the motion, which favorably carried by a vote of 7-2. Mr. Besinger and Mr. Mills cast the dissenting votes.

Mr. Bronnert made a motion to approve a new facility appeal in the amount of \$152,411 for Thorpe Creek Elementary School. Ms. Hinline seconded the motion, which favorably carried by a vote of 9-0.

**Transportation Appeal:** The tax rate impact is \$0.0108. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. The number of bus routes has increased from 98 in 2000-2001 to 185 in 2006-2007.

**Comments:** Mr. Reuter explained how the trend in the non-farm personal income factor is moving in the opposite direction of transportation trends in their school district. Next year they expect to see the factor begin to go back up. Even stable districts are having a difficult time managing the increases in transportation costs.

Ms. Nunn said they are requesting an appeal amount of \$737,668. They have struggled with their transportation fund for years and have had to cover the shortfalls with their general fund. Higher numbers of special education students have added to increased costs. They recognize this is a significant appeal amount, but they do take steps to try to save money in this fund. They did a massive redistricting in the 2006-07 school year. The opening of a second high school and other schools more than offset the savings from redistricting. They have implemented fees for field trips and groups that travel outside of the school day. That has only offset a portion of the total transportation costs in the district. They also eliminated transportation to and from summer school. They call three vendors each time they need fuel and pick the least expensive to reduce

costs. They evaluated a triple routing system, but ran into issues because they have contractual issues with the length of their school day. There would have been a significant impact on the community in moving away from a two tier system. Even with these cost savings they feel this appeal is necessary.

Mr. Mills said their operating costs per student are 18% higher than Center Grove. Mr. Reuter said their district is much more spread out than Center Grove. Ms. Nunn said they cover about 84 square miles. Mr. Reuter said they would have issues with a triple routing system with picking up students very early in the morning and athletic events after school.

Mr. Besinger asked how much money they have generated with their transportation fees. Ms. Nunn said it is about \$36,000 from the groups that travel outside of the school day. Mr. Reuter said total miscellaneous revenues were about \$120,000. Mr. Besinger asked if that amount covered all of their expenses. Mr. Reuter responded no. Mr. Besinger asked if they considered raising the fees. Mr. Reuter said the expense could get very high and then they run into trouble with free and reduced lunch students.

Mr. Bronnert asked if \$737,668 is what they calculated as their transportation max levy amount.

**Motion:** Mr. Bronnert made a motion to approve a transportation appeal in the amount of \$737,668. Ms. Hineline seconded the motion, which favorably carried by a vote of 7-2. Mr. Besinger and Mr. Samuel cast the dissenting votes.

**Clark Pleasant Community School Corporation, Johnson County:** Officials request approval of a new facility appeal in the amount of \$210,346 and a transportation appeal in the amount of \$150,000. The appeals were properly advertised.

**Present for the hearing** was Steven Sonntag, Director of Business and Karen Canary, Corporation Treasurer.

**New Facility Appeal:** The tax rate impact is \$0.0176. Officials request the appeal for the new Pleasant Crossing Elementary School of 104,555 square feet that was occupied in July 2007. The appeal request includes 4.2 custodians, .8 maintenance staff, 1.2 groundskeepers, property insurance, employee benefits, utilities and supplies.

**Comments:** Mr. Sonntag said Clark Pleasant is one of the fastest growing school corporations in the state. They have grown by 23% in the last two years. They have added 273 students this school year. They are requesting the second portion of a new facility appeal for Pleasant Crossing Elementary. They added a total of forty classrooms. The total new area is 104,555 square feet. Operation and maintenance costs increase due to this. Last year they asked and received approval for \$272,519. This year based on the actual costs they are asking for a reduced amount of \$210,346.

Mr. Bowen asked if it was called West Elementary. Mr. Sonntag responded yes, last year they did not have a name for the school yet.

Mr. Mills asked how much enrollment increased. Mr. Sonntag said 273 students this year.

**Motion:** Mr. Umbaugh made a motion to approve a new facility appeal in the amount of \$210,346. Mr. Bowen seconded the motion, which favorably carried by a vote of 6-3. Mr. Besinger, Mr. Mills and Mr. Samuel cast the dissenting votes.

**Transportation Appeal:** The tax rate impact of the appeal was not reported. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. Nineteen bus drivers have been added in the past three years.

**Comments:** Mr. Sonntag said Clark Pleasant meets three of the requirements for a transportation levy increase. Enrollment is expected to double in the next ten years. They are requesting a levy appeal in the amount of \$150,000 to meet the transportation needs of their district. The range they qualify for is \$176,000 to \$442,000.

Mr. Besinger asked how many miles per year they travel for extracurricular activities and field trips. Mr. Sonntag said he does not have that number.

Mr. Bronnert asked if they charge for those trips. Mr. Sonntag responded not, but they limit field trips to two per year and redistricted recently. They pay \$2.74 for diesel fuel. They can buy a tanker load of fuel because they have a larger storage tank. Mr. Bronnert asked how long the fuel lasts. Mr. Sonntag said the tank holds about 7,500 – 8,000 gallons and lasts about a month.

Mr. Besinger asked if they future contract out. Mr. Sonntag responded no, but they purchase the natural gas for their buildings through a co-op and are looking at adding diesel fuel to that.

Mr. Mills said their transportation cost is \$635 per student per year versus Center Grove at \$439. Mr. Sonntag said their district is spread out and they travel a lot of miles. They use a double route system. Pockets of the population are rural.

**Motion:** Mr. Bronnert made a motion to approve a transportation appeal in the amount of \$150,000. Dr. Seger seconded the motion, which favorably carried by a vote of 6-3. Mr. Besinger, Mr. Mills and Mr. Samuel cast the dissenting votes.

**West Washington School Corporation, Washington County:** Officials request approval of a transportation appeal in the amount of \$55,952. The tax rate impact is \$0.0003. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of miles traveled. One bus driver has been added in the past three years. The number of bus routes has decreased from 22 to 21 over the past six years.

**Present for the hearing** was Gerald Jackson, Superintendent.

**Comments:** Mr. Jackson, Superintendent, said they are requesting a transportation appeal in the amount of \$55,952. That amounts to 2.75 cents on their tax rate. As of last year they have no



contract drivers left. They have deleted three routes and are looking to delete another. Costs have been escalating. They have a fuel price locked in. They do not charge a field trip fee because 52% of students are on free and reduced lunch. They are a totally rural district. They have come up with a shortfall for the past few years and they believe this appeal will bring them back into the black.

Mr. Besinger asked if they contract fuel. The Superintendent said they contracted for the price \$2.61 for the full year.

Mr. Bowen asked if they did the max levy calculation. Dr. Seger said their 2007 budget number is incorrect.

Mr. Umbaugh said the maximum levy is \$55,952.

Mr. Nemeth asked if they have added any routes. The Superintendent said they took one route out, but they still have to travel the same miles. Mr. Nemeth said he is not sure they qualify for the 10% increase on fuel alone with no new routes.

**Motion:** Mr. Bronnert made a motion to approve a transportation appeal in the amount of \$55,952, pending the school corporation submitting a correct maximum levy calculation to DLGF and subject to adjustment. Ms. Hineline seconded the motion, which favorably carried by a vote of 8-1. Mr. Nemeth cast the dissenting vote.

**Fort Wayne Community Schools, Allen County:** Officials request approval of a new facility appeal in the amount of \$295,862. The tax rate impact of the appeal is \$0.0037. The appeal was properly advertised. Officials request the appeal for the new 46,700 square foot Nutrition Center that was occupied in October 2006. The appeal request includes custodians, employee benefits, and utilities.

**Present for the hearing** was Kathy Friend, Chief Financial Officer; Marsha Metzger, Nutrition Services Director and Steve Parker, Director of Facilities.

**Comments:** Ms. Friend said they received approval in 2005 to construct a new nutrition center to prepare meals for all schools in the district. The facility is 46,700 square feet. They are asking for a levy appeal to pay for utilities and two custodians.

Mr. Bronnert asked if they shut down the old kitchens. Ms. Friends said they have had one central kitchen facility since 1971. The old facility was only 20,000 square feet. It had to be replace because it was in an area that was flood prone. It was a safety issue. In addition, they had a freezer that was failing and was not large enough anyway. They were not able to expand the center due to the flooding issue. They already owned the land the new facility is on. It is large enough to warehouse supplies.

Mr. Bowen asked what happened to the old facility. Ms. Friend said they still use it, but in a way that is not affected by flooding. They use it for training and office space. Mr. Bowen asked if

they still maintain the building. Ms. Friend responded yes. The amount on the new facility appeal is the amount of the total operations. The utilities at the old food service center cost \$101,000, but those expenses are now down to \$42,000. That savings of \$59,000 could be reduced from the total levy request.

Mr. Bronnert asked if this appeal meets the code. Ms. Friend said the old center was a health and safety issue.

Mr. Mills said they added square footage to a school corporation that has stagnant enrollment. Ms. Friend said they built this facility to meet all of the safety concerns they could not address at the old facility. The safety measures added square footage. Ms. Metzger said there is a four hour time period that food can be outside of the safety zone. This facility has allowed them to get that time down to about thirty minutes.

**Motion:** Mr. Bronnert made a motion to approve a new facility appeal in the amount of \$236,862. Ms. Hineline seconded the motion, which favorably carried by a vote of 7-2. Mr. Besinger and Mr. Mills cast the dissenting votes.

**Northwest Allen County Schools, Allen County:** Officials request approval of a transportation appeal in the amount of \$130,533. The tax rate impact is \$0.0067. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. Twelve new transportation positions have been added in the past three years. The number of bus routes has increase from 71 to 85 over the past six years.

**Present for the hearing** was Bill Mallers, Business Manager.

**Comments:** Mr. Mallers said they are appeal for \$130,533. Northwest Allen is a growing school district experience much of the growth from the suburbs of Fort Wayne. In 2004 they opened a new transportation center. Prior to that they had been contracting their service. The contract service payments transferred to salaries. Over the past few years they have added routes. They currently maintain 75 vehicles and only have seven spare busses. A major priority is adding an additional mechanic to the staff. With the growing number of students they anticipate adding two to four routes per year.

Mr. Mills commented that they are coming in at about \$360 per student.

Mr. Bowen said their increased miles at \$2.87 per mile is only \$34,000. Plus the increase in gas at \$38,000 is \$72,000.

Dr. Seger said page ten also shows the increase in staff.

Mr. Mills asked if they have looked at doing statewide driver training. Mr. Mallers said they have looked at it, but they have found it is best to take a more hands on approach.

Mr. Bowen said the only thing they can base the appeal on is increased mileage and increased fuel. The mileage takes care of the drivers. Mr. Mallers said their growth is in suburban additions. It is a very compact number of kids in a small amount of area. Miles are not going up, but they are sending two busses to where they used to send one.

**Motion:** Mr. Bronnert made a motion to approve a transportation appeal in the amount of \$130,533. Ms. Hineline seconded the motion, which failed to carry with a vote of 4-5. Mr. Nemeth, Mr. Bowen, Mr. Samuel, Mr. Besinger and Mr. Mills cast the dissenting votes.

**South Gibson School Corporation, Gibson County:** Officials request approval of a transportation appeal in the amount of \$50,000. The tax rate impact is \$0.00734. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. No new transportation positions have been added in the past three years. No new bus routes have been added over the past six years.

**Present for the hearing** was Tim Armstrong, Business Manager.

**Comments:** Mr. Armstrong said last year they came for a \$380,000 appeal and received approval for \$259,000. Full day kindergarten impacted transportation costs. They only pay for school day related expenses out of the transportation fund. They run one route per bus. They believe they are running the most efficient system possible. They have looked into purchasing their busses, but that is not possible right now because they are in the middle of a building project. The fuel price for this year that was competitively bid was \$2.449.

Mr. Besinger said he does not understand how in 2007 they used 39,500 gallons of gas for 39,500 miles traveled. That is only one mile per gallon, where most schools are getting five to seven. Mr. Armstrong said that must have been a mistake. They base their driver contracts on five miles per gallon.

Mr. Mills asked how many routes they have. Mr. Armstrong responded 23.

Mr. Nemeth asked why they are paying for the fuel for their contract drivers. Mr. Armstrong said they have an escalation clause in their contract. Mr. Nemeth asked if the fuel is purely contractual. Mr. Armstrong responded yes.

Mr. Bowen asked if the 42,000 total miles traveled for 2008 is annual or monthly. Mr. Armstrong said their annual miles traveled is 199,710.

Mr. Mills asked how many townships they cover. Mr. Armstrong responded four.

Mr. Bronnert said they probably need to resubmit the form. If they correct the numbers they probably would not need to come back to Indianapolis.

Mr. Bowen said he can only approve \$44,300 given the numbers that were submitted.

Mr. Besinger said he thinks the board should deny projects when they come in with incorrect forms.

**Motion:** Mr. Bronnert made a motion to postpone a recommendation pending correction of the forms. Mr. Nemeth seconded the motion, which favorably carried by a vote of 8-1. Mr. Nemeth cast the dissenting vote.

**Portage Township Schools, Porter County:** Officials request approval of a new facility appeal in the amount of \$250,000. The tax rate impact of the appeal is \$0.0131. The appeal was properly advertised. Officials request the appeal for an addition of 149,524 square feet to Portage High School that was occupied in January 2007. The appeal request includes four custodians, a field house supervisor, property services, employee benefits, and utilities.

**Present for the hearing** was Michael Berta, Superintendent and Sharon Qualkinbush, Director of Finance.

**Comments:** Mr. Berta said their appeal is for a 149,524 square foot addition to Portage High School that is almost complete. The addition connects two existing high schools. The new construction includes a media center, field house, classrooms and music/choir rooms. The facility is used by students and community members. In April 2004 they advertised a new facility appeal of \$250,000 at their 1028 hearing. In the spring of 2007 they performed a custodial staffing study. As a result they added four custodians versus the recommended six.

Ms. Qualkinbush said personnel costs relate to health and safety. The hourly wage of \$9.46 per custodian for the four custodians is how that expense was calculated. Utility expenses for gas, water and electric have been included. Expenses for property insurance have increased due to the increased square footage and the connecting of two buildings. The total increase in expenses amounted to over \$419,000, but they are limited to the \$250,000 they advertised.

Mr. Mills asked if this is the full amount or a half year. Ms. Qualkinbush said it is the full amount they are asking for. Mr. Bronnert said they can only ask for \$250,000 because that is all they advertised. Mr. Mills asked what is happening with enrollment. Mr. Berta said it increased 137 students this year. Ms. Qualkinbush said their ADM was 8,238.5.

Mr. Bronnert asked why they reduced the custodial staff. Ms. Qualkinbush said it was due to their study. The study is an optimal situation. Mr. Berta said the study showed three levels of cleanliness. They were able to reallocate some of the existing custodians. They also varied the level of cleanliness in different areas. Mr. Bronnert said they have 149,000 square feet per custodian.

**Motion:** Ms. Hineline made a motion to approve a new facility appeal in the amount of \$250,000. Mr. Umbaugh seconded the motion, which favorably carried by a vote of 6-3. Mr. Besinger, Mr. Umbaugh and Mr. Samuel cast the dissenting votes.

**Tippecanoe School Corporation, Tippecanoe County:** Officials request approval of a new facility appeal in the amount of \$42,200 and a transfer tuition appeal in the amount of \$891,006. The appeals were properly advertised.

**Present for the hearing** was Kim Fox, CFO and Dr. Mark Miller, Retired Assistant Superintendent.

**New Facility Appeal:** The tax rate impact is \$0.0011. Officials request the appeal for the new 13,000 square foot Harrison High School Academic Center that was occupied in August 2007. The appeal request includes ½ a custodian, property insurance, employee benefits, utilities and supplies.

**Comments:** Dr. Millers said they are a fast growing school district. They are growing by about 265 students per year and have a total of about 11,000 students. They currently have 17 schools in the district. This new facility appeal is for the Harrison High School Academic Center. It consists of eight classrooms. The 13,000 square feet are all academic space.

Mr. Bronnert asked how large the addition is. Dr. Miller said it is an 11,000 square foot independently standing structure.

Mr. Mills asked what their enrollment growth has been. Dr. Miller said they average about 265 per year. Enrollment increased by 208 this year. Mr. Mills said their increasing enrollment should cover this appeal.

**Motion:** Mr. Bowen made a motion to approve a new facility appeal in the amount of \$42,200. Mr. Umbaugh seconded the motion, which favorably carried by a vote of 6-3. Mr. Besinger, Mr. Mills and Mr. Samuel cast the dissenting votes.

**Transfer Tuition:** The tax rate impact of the appeal was not reported. Officials request the appeal for the 2005-2006 school year.

**Comments:** Dr. Miller said the appeal is for the difference between what Tippecanoe paid out to other school corporations, which was about \$1.2 million, and the receipts for students who transferred in, which was \$300,000. The difference and the amount they are requesting is \$891,006.

Mr. Besinger asked why so many students are transferring out. Dr. Miller said they have a policy that they will sign a transfer out with no questions asked. They have a number of families that live closer to Rossville. Some people prefer to go to West Lafayette. This has helped them with their growth situation. Mr. Besinger asked if they get any state support. Dr. Miller said the state support comes to the school corporation of legal residence.

Mr. Mills asked how many students transfer. Dr. Miller said 256 students transferred out and 13 transferred in. Most of the students that transfer out go to West Lafayette.

Mr. Besinger said they are really making money on this deal. Dr. Miller said they rank 256<sup>th</sup> on expenditures in the state. They have been a victim of the school funding formula. This is a provision of the law for them to appeal this. Dr. Miller said the statute says if they can show the difference it is a shall provision.

Mr. Nemeth asked what they are making for ADM students. Dr. Miller said it is probably around \$4,000. Mr. Nemeth said with 300 students transferring out they are not losing money with this deal. Dr. Miller said it is their policy to not require vouchers.

**Motion:** Ms. Hineline made a motion to approve a transfer tuition appeal in the amount of \$891,006. Dr. Seger seconded the motion, which favorably carried by a vote of 7-2. Mr. Besinger and Mr. Samuel cast the dissenting votes.

**School Town of Munster, Lake County:** Officials request approval of a transportation appeal in the amount of \$150,000. The tax rate impact is \$0.0075. The appeal was properly advertised. Officials request the appeal due to an increase in fuel costs and an increase in the number of students transported/miles traveled. Four new transportation positions have been added in the past three years. Seven new bus routes have been added over the past six years.

**Present for the hearing** was Richard Sopko, Assistant Superintendent for Business.

**Comments:** Mr. Sopko said the basis of their appeal is they are transporting more students due to full day kindergarten. The transportation appeal is for \$150,000. The appeal is based on a fuel cost of \$3.34, but today it is \$3.15. They are transporting 525 additional students. They only have one section of half day kindergarten. They have added two full time drivers. They have seen a huge growth in autistic children. They piloted a program a few years ago and new families are moving in now for that. The cost for new personnel is about \$180,000.

Mr. Besinger asked if the contract for the price of fuel. Mr. Sopko said they contract on a 90 day basis. They have been burnt on year contracts. Mr. Besinger said their average miles per gallon is 1.97. Mr. Sopko said he does not have an explanation for that. Mr. Besinger asked if they use fuel for vehicles other than busses. Mr. Sopko responded yes.

Mr. Umbaugh asked if the reason is they are an urban district. Mr. Sopko said that could be part of it.

Mr. Besinger asked how many miles they travel for extracurricular activities. Mr. Sopko said it is probably about 30,000 miles. All of their busses are air conditioned. The numbers are based on actual consumption.

Mr. Mills asked if they transport all of the students in the district. Mr. Sopko said even students that live less than a mile from school can be transported by bus. It was a board decision after several abductions in neighboring districts. Mr. Mills asked how many townships they cover. Mr. Sopko said they are about a half of a township.

**Motion:** Mr. Bowen made a motion to approve a transportation appeal in the amount of \$150,000. Mr. Umbaugh seconded the motion, which favorably carried by a vote of 6-3. Mr. Samuel, Mr. Besinger and Mr. Mills cast the dissenting votes.

**New Prairie United School Corporation, LaPorte & St. Joseph County:** Officials request approval of a new facility appeal in the amount of \$443,427. The tax rate impact of the appeal is \$0.0534. The appeal was properly advertised. Officials request the appeal for the new 144,100 square foot New Prairie Middle School that is scheduled to be occupied in June 2008. The appeal request includes four custodians, property services, employee benefits, supplies and utilities.

**Present for the hearing** was Duane Wrightson, Superintendent; Phil Bender, Assistant Superintendent and Keith Dennit, Clerk of the Works.

**Comments:** The Superintendent said he comes from Minnesota and Colorado where they have referendums. The architects estimated increased operating costs of \$400,000, but at their 1028 hearing they advertised \$350,000. The good news is now they are only requesting \$308,000. They added four custodians. The natural gas estimate was based on \$0.80, which is low. Total requested operating costs per square foot on an annual basis are \$3.67. Their school corporation is 303/329 on expenditures per student. Their general fund revenue per pupil is \$5,472. There are only three districts that receive less revenue than New Prairie.

Mr. Bronnert asked what amount was advertised with the 1028. The Superintendent said \$350,000. Mr. Bronnert said that is the most they can ask for. The Superintendent said the costs were based on an annual basis. They know they will have to live with what was advertised.

Mr. Mills asked if this new middle school is due to increasing enrollment. The Superintendent responded yes, they are growing about 400 students per year. They were not able to offer full day kindergarten.

Mr. Bronnert said since they are opening in June 7/12 of the appeal is \$204,166.

Mr. Bowen asked if the actual annual cost is \$528,000. The Superintendent said the \$308,000 is 7/12.

Mr. Umbaugh said the maximum they can ever receive is \$350,000 minus whatever they receive this year.

**Motion:** Mr. Umbaugh made a motion to approve a new facility appeal in the amount of \$308,302 for this year, not to exceed a total new facility appeal amount of \$350,000. Ms. Hineline seconded the motion, which favorably carried by a vote of 6-3. Mr. Besinger, Mr. Mills and Mr. Samuel cast the dissenting votes.

**MSD of Perry Township, Marion County:** Officials request approval of a transportation appeal in the amount of \$228,830. The tax rate impact is \$0.006618. The appeal was properly advertised. Officials request the appeal due to an increase in the number of students transported/miles traveled. Fifteen new transportation positions have been added in the past three years. Twenty-eight new bus routes have been added over the past six years.

**Present for the hearing** was Bob Harris, Business Manager; Mike Bagley, Director of Facilities and Mike Blue, Director of Transportation.

**Comments:** Mr. Harris said they are asking approval for a transportation appeal for \$228,830. The transportation appeal would be a tax impact of \$0.0066. It includes seven additional drivers, two for the homeless act, three for special education, and two for regular routes. ADM was up 186 students this year. The actual increase in ridership was 291.

Mr. Bronnert said the problem is going to be the appeal is only based on increases in fuel and mileage. Mr. Harris said they did not have anything for fuel costs. They have added miles to make up for the grade they lost to desegregation. Mr. Bagley said they lost four elementary routes due to desegregation. Mileage did not increase. They believe they qualify on significant number of students transported.

Mr. Mills said their cost per student is \$885, which is more than two times where other schools come in at. Mr. Harris said their desegregation area is not contiguous to the school district. Mr. Bagley said they are part of the Rise co-op. They budget \$1.25 million to pay to the co-op. In fuel consumption they have teamed with the Perry Township fire department.

Mr. Nemeth asked where they are transporting homeless students from. Mr. Bagley said there is one at 3790 Meridian Street. They also have some at the Julian Center, Salvation Army, Barton House. Mr. Bagley said they may have multiple students at one location, but they are going to more than one school location.

Mr. Mills asked how many students they lost to desegregation. Mr. Harris said they went from eight something last year to 719. A grade level falls off each year. They are up to the fourth grade now.

Mr. Nemeth said his concern is that of the five qualifiers for 10% they do not meet it with number of students transported.

Mr. Bowen asked what the round trip mileage represents. They said it is daily.

**Motion:** Mr. Umbaugh made a motion to approve a transportation appeal in the amount of \$228,830. Ms. Hine line seconded the motion, which favorably carried by a vote of 5-4. Mr. Nemeth, Mr. Samuel, Mr. Besinger and Mr. Mills cast the dissenting votes.